

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016
FOR
THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF MARKET BOSWORTH, CADEBY WITH SUTTON CHENEY
AND CONGERSTONE**

Duncan & Toplis Limited
The Gables
Bishop Meadow Road
Loughborough
Leicestershire
LE11 5RE

MARKET BOSWORTH PCC

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FOR THE YEAR ENDED 31 DECEMBER 2016**

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MARKET BOSWORTH PCC

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2016

The trustees present their report with the financial statements of the charity for the year ended 31 December 2016. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

This is the fourth annual report of the Parochial Church Council of the Ecclesiastical Parish of Market Bosworth, Cadeby with Sutton Cheney and Congerstone (referred to as the Bosworth PCC in this report).

The PCC is responsible for four churches: -

St Peter, Market Bosworth
All Saints, Cadeby
St James, Sutton Cheney
St Mary the Virgin, Congerstone

Each of which have a church hall, although the one at Sutton Cheney is administered as a separate charity and that at Cadeby is pending disposal.

The PCC forms part of the Bosworth Benefice.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Bosworth PCC is happy to continue to exercise its responsibility to the whole mission of the Church, in the benefice, including a determination to work with the other Churches in the Benefice and ecumenically with other faiths in the parish. We have worked closely with The Roman Catholic Church of our Lady and St Gregory's in Market Bosworth, and the Market Bosworth Free Church. The PCC also recognises its responsibility for the maintenance of its Churches and church halls noted above.

The PCC is committed to enabling as many people as possible to worship at our churches and to become part of our parish communities. Our services and worship put faith into practice through prayer and scripture, music and sacrament.

When planning our activities for the year, we have considered the Charity Commission's guidance on public benefit and, in particular, the supplementary guidance on charities for the advancement of religion. In particular, we try to enable ordinary people to live out their faith as part of our parish community through:

- Worship and prayer; learning about the gospel; and developing their knowledge and trust in Jesus,
- Provision of pastoral care for people living in the parish.
- Missionary and outreach work.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

The parishes rely almost totally on the active participation of volunteers to ensure the successful organisation of its services and managing the Churches. This has been more important as we faced the end of the interregnum following the departure of Fr Dominic McClean to Wales in 2015.

Achievements and performance

During 2016 we appointed Andrew Jackson as our new Premises Officer to look after the maintenance and upkeep of the Parish Hall and also St Peter's Church. He works part time for 15 hours a week and has become an important part of our Church and Parish Hall team, also supporting our much valued Administrator, Mrs Jane Farmer.

Recognising our responsibility to the Area Deanery and to the Diocese, we welcomed The Reverend Gary Weston of St Johns Hinckley as the new Area Dean of Sparkenhoe Deanery, and we have been represented at all meetings of the Deanery Synod in 2016 and hosted one in February 2016 in St Peter's Parish Hall.

MARKET BOSWORTH PCC

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2016

Church Fetes and social events in all the Parishes have attracted support from across the communities we serve and have provided welcome funds for our Churches as well as happy occasions allowing our Mission to go forward. We also organised our first Christmas Tree Festival for some years. Over 24 organisations joined by making and displaying trees in St Peter's Church and it proved a popular attraction for visitors to the Church.

Factors likely to affect future financial performance or position

There are a number of ongoing projects to complete that may require the sale of investment units, for example the rebuilding of the Organ at St Peter's Market Bosworth and in addition we need to look at the church roof and heating. At St Mary the Virgin, Congerstone, we are awaiting the outcome of a grant application with the Heritage Lottery Fund to complete the work to the roof following the theft of lead in 2015.

Clergy

Much of the early part of 2016 was spent preparing and agreeing a Parish Profile, writing an advertisement for Church Times, and preparing a shortlist of Candidates to appoint a new Priest in Charge. On 6 April 2016 we interviewed two candidates after which The Reverend Mark Sylvester Poskitt was appointed and was licensed at St Peter's Market Bosworth on 21 September 2016 by the new Bishop of Leicester, The Rt Rev Martyn Snow. There was a packed Church to welcome Rev Mark, who has been warmly welcomed with his wife, Sue, and they have both become very much part of the life of the community across all our Churches. Rev Mark officiated at the Remembrance Service both in Church and in the Market Place at the War Memorial and also at Carols in the Square before Christmas, attended by members of all faiths. We were also able to thank The Rev Canon David Jennings for his work in the Parishes in the interregnum.

Financial Resources

During 2015 the Charity Commission agreed to the widening of the terms of the St Peter's Fund, so that interest earned on the capital could be used for other ecclesiastical purposes.

Corporate Governance

We continue to maintain our attention to the reporting and governance as guided by the Charity Commission and implemented by our Finance Committee.

As noted below we await the final decision of the Diocese on the reorganisation of the Parishes, but continue to work with them all in the furtherance of our Mission.

Building Stock

We are pleased to report that during the year we were able to complete the urgent repairs needed for the Spire and Tower of St Peter's Church and are delighted with the finished work. However more work is needed to the clock face which is currently underway. All of this work has been made possible by the generous legacy.

Work has also started again on replacing the Organ, again made possible by the Gibson bequest and it is hoped that the organ will be in place later in 2017.

In line with common practice, a quinquennial review of the Church fabric was undertaken at both St Peter's Market Bosworth and at St James' Sutton Cheney. We are grateful to our architect, Peter Rogan, for his detailed care in producing the reports, the results of which are under review at present with a view to implementation over time.

At Congerstone work continues to replace the roof from which lead was stolen in 2015 and thanks are due to the work undertaken by the warden, Geoffrey Frisby and his fellow officers who are dealing with this. Costs of £9,870 were incurred during the year with an insurance receipt of £11,520. Further costs will arise in 2017.

The future of Cadeby Parish Hall remains an issue, but progress continues.

FINANCIAL REVIEW

Financial position

The charity had funds at the beginning of the year of £7,067,342. There was a deficit of £276,925 before investment gains and a surplus of £147,956 after the gains on investment assets. Therefore giving reserves carried forward at 31 December 2016 of £7,215,298.

MARKET BOSWORTH PCC

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2016

The significant events that have affected financial performance and financial position are the repair work carried out on the Spire and Tower of St Peter's Church and on replacing the Organ with costs incurred during the year of £277,679 and £83,892 respectively although grant income of £45,846 was received.

Total income for the year was £295,968 of which £180,137 were unrestricted receipts.

The charity has investments which generate income and in 2016 this included £41,653 (2015: £43,362) in the form of rental income and £79,775 (2015: £100,223) from listed investments.

Principal funding sources

The principal funding sources of the charity are:

- Donations and collections
- Rental income
- Income from investments
- Fees from weddings and funerals
- Church hall lettings
- Fetes and other events

These sources of income have been expended in the furtherance of the charity's objectives.

Investment policy and objectives

The listed investments are managed by CCLA who are selected because of the extent to which they assess environmental, social and governance (ESG) risks. CCLA are a leader in stewardship and ethics and are a signatory of the United Nations Principles for Responsible Investment (UN PRI) and the UK Stewardship Code.

The listed investments form part of the St Peter's Fund and the portfolio is balanced between providing an annual income to support the objectives of this fund and achieving capital growth. The rate of return of the investments is considered by the trustees to be satisfactory.

Plans for the future

With the continuing work on the clock, the replacement of the organ and more work to the children's corner to develop the facilities for the increasing numbers of young children and their parents and carers to services, we hope to continue the Church's mission across all the Parishes during the course of the year.

Our aim remains to welcome and establish God's Kingdom in our hearts, lives and communities as we grow in faith in this Benefice, Deanery and Diocese.

Reserves policy

It is the policy of the charity to retain reserves which are neither restricted nor designated, at a level which provides sufficient funds to cover its annual running costs.

As at 31 December 2016 the level of these reserves was £11,374 which is lower than that set in the reserves policy. This balance can be further analysed below:

Cadeby Parish Church - £40,845
Congerstone Parish Church - £15,075
Market Bosworth Parish Church – (£48,998)
Sutton Cheney Parish Church - £4,452

The restricted funds held by the charity are kept for as long as is necessary to organise the use of the funds.

The trustees have designated the funds equivalent to the net book value of the buildings which total £433,740. This has been designated as the assets cannot be realised without undermining the charity's work.

MARKET BOSWORTH PCC

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2016

At 31 December 2016 the restricted fund balances were £6,738,295, the designated fund balances were £465,629 and the total funds were £7,215,298.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes an unincorporated charity.

Charity constitution

The Parochial Church Council is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure. The PCC is part of the Diocese of Leicester within the Church of England.

The Bosworth Benefice is currently subject to a proposed parochial reorganisation that will create a Bosworth Benefice incorporating a PCC for St Peter's Market Bosworth, a PCC including Cadeby, Congerstone, Sutton Cheney, and Shackerstone, and a PCC for Carlton. This has yet to be confirmed by the Standing Committee of the Diocesan Synod and Bishop's Council. As a result of this proposal, an interim PCC was elected at the 2016 APCM, with representatives for St Peter's Market Bosworth elected for one year. As we have no resolution, we shall elect a PCC for another year at the 2017 APCM.

Recruitment and appointment of new trustees

The method of appointment of PCC members is set out in the Church Representation Rules. Members are elected by those members of the congregation who are on the electoral roll of the four churches. All those who attend our services/ members of the congregation are encouraged to register on the Electoral Roll and stand for election to their DCC and the PCC. Training is available for PCC members through the Diocese of Leicester in areas such as finance, safeguarding and administration. The Charity Commission's Guide The Essential Trustee is provided to new trustees.

The PCC members are responsible for making decisions on all matters of general concern and importance to the parish including deciding on how the funds of the PCC are to be spent. In addition to the Annual Meeting, the full PCC met six times during the calendar year with an average attendance of 63%. The meeting frequency is kept under review.

Organisational structure

PCC members who have served at any time between 1 January 2016 and 31 December 2016 are:

Ex Officio members

Incumbent: Reverend Mark Poskitt (from 20/9/16)

Team Vicar: Reverend Julia Hargreaves

Lay Minsters

Colleen Annan

Elected members

St Peter, Market Bosworth

David Surtees	Parish Warden/Deanery Synod Rep
Julian Abrahart	Treasurer
Richard Bradford	Deputy Church Warden
Geoff Blackburn	Laity (from 26/4/16)
Jane Glennon	Laity
Carina Hurst	Laity
Sandra Hurst	Laity (from 26/4/16)
Stephen Hurst	Laity (from 26/4/16)
Robert Leake	Laity (from 26/4/16)
Kate Owen	Laity (from 26/4/16 until 31/7/16)
Carole Smith	Laity (from 26/4/16)
Peter Smith	Laity
Tim Walton	Laity (from 26/4/16)
Alwyn Whitney	Laity (from 26/4/16)

MARKET BOSWORTH PCC

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2016

All Saints, Cadeby

Diana Morgan - Deputy Church Warden
Janet Hicklin - Laity

St James, Sutton Cheney

Don Holt - Deputy Church Warden
Sylvia Holt - Parish Warden
Shelley Howard - Laity

St Mary the Virgin, Congerstone

Geoff Frisby – Deputy Church Warden
Fiona Frisby - Laity
Robert Rickard - Deputy Church Warden

We are sad to report the death of Katie Owen in July 2016, she was not replaced and her Trusteeship remains vacant to be filled at the APCM.

Risk management

We are required to state in the annual report that "the major risks to which the PCC is exposed have been reviewed and that systems or procedures designed to manage those risks have been established."

One main area of risk relates to the St Peter's Fund, that comprises of agricultural land and investments to generate growth and income. Whilst the value of the investments can underperform, CCLA were selected for reasons outlined above, and trustees are satisfied that their investment management strategy avoids excessive risk. Land is managed by reputable land agents, Andrew Granger, who are able to advise and act where necessary to ensure risks are identified and managed.

Other financial risks could occur through poor budgetary/spending control and financial reporting. The Treasurer chairs the Finance Committee and works with the administrator to produce reports for PCC meetings. Book-keeping and reporting is now performed using Finance Co-ordinator software. All budget limits and expenditure require PCC approval, and payments are authorised by a minimum of two signatories.

Since the appointment of the Premises Officer, a regular schedule of health and safety checks are performed. Risk assessments are carried out for any areas of concern, for example access to the tower and battlements. Health and Safety and Safeguarding Policies are in place and reviewed annually. All relevant individuals who work with children and vulnerable adults are DBS checked.

A structured programme of work is continuing to ensure policies and procedures are in place and reviewed.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1150873

Principal address

St Peter's Parish Church Hall
Park Street
MARKET BOSWORTH
Leicestershire
CV13 0LL

MARKET BOSWORTH PCC

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2016

Auditors

Duncan & Toplis Limited
The Gables
Bishop Meadow Road
Loughborough
Leicestershire
LE11 5RE

Solicitors - for all general matters

Latham and Co
2 Forest Road
Loughborough
Leicestershire
LE11 3PN

Solicitors - for development land

Davies & Partners
Latham House
33-34 Paradise Street
Birmingham
B1 2AJ

Bankers

HSBC Bank Plc
Market Place
Market Bosworth
Warwickshire
CV13 0JR

Land agents - for agricultural land

Andrew Granger & Co
2 High Street
Loughborough
Leicestershire
LE11 2PY

Agents & surveyors - for development land

Carter Jonas
6-8 Hills Road
Cambridge
CB2 1NH

Highways consultants - for development land

WSP Group UK Plc
66-68 Hills Road
Cambridge
CB2 1LA

CCLA Investment Management Ltd

Senator House
85 Queen Victoria Street
London
EC4V 4ET

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2016**

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charity SORP (FRS102) and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 25th April 2017 and signed on its behalf by:

David Surtees - Trustee

Revd Mark Poskitt - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF MARKET BOSWORTH PAROCHIAL CHURCH COUNCIL

We have audited the financial statements of Market Bosworth Parochial Church Council for the year ended 31 December 2016 on pages ten to twenty three. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees Responsibilities set out on page seven, the trustees are responsible for the preparation of the financial statements which give a true and fair view.

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with regulations made under Section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors, including APB Ethical Standard - Provisions Available for Small Entities (Revised), in the circumstances set out in note 22 to the financial statements

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard - Provisions Available for Small Entities, in the circumstances set out in note 22 in the accounts.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2016 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
MARKET BOSWORTH PAROCHIAL CHURCH COUNCIL**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements ; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Duncan & Toplis Limited, Statutory Auditor
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
The Gables
Bishop Meadow Road
Loughborough
Leicestershire
LE11 5RE

Date: 7th June 2017

MARKET BOSWORTH PCC

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2016**

		Unrestricted funds £	Restricted funds £	2016 Total funds £	2015 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	46,938	45,846	92,784	57,457
Charitable activities	6				
Charitable activities		61,106	11,520	72,626	53,149
Other trading activities	4	7,350	1,297	8,647	14,548
Investment income	5	<u>437</u>	<u>121,474</u>	<u>121,911</u>	<u>144,096</u>
Total		115,831	180,137	295,968	269,250
EXPENDITURE ON					
Raising funds		724	5,032	5,756	5,860
Charitable activities	7				
Charitable activities		<u>113,838</u>	<u>453,299</u>	<u>567,137</u>	<u>228,822</u>
Total		114,562	458,331	572,893	234,682
Net gains/(losses) on investments		<u>739</u>	<u>424,142</u>	<u>424,881</u>	<u>88,221</u>
NET INCOME		2,008	145,948	147,956	122,789
Transfers between funds	19	<u>54,283</u>	<u>(54,283)</u>	<u>-</u>	<u>-</u>
Net movement in funds		56,291	91,665	147,956	122,789
RECONCILIATION OF FUNDS					
Total funds brought forward		420,712	6,646,630	7,067,342	6,944,553
TOTAL FUNDS CARRIED FORWARD		<u>477,003</u>	<u>6,738,295</u>	<u>7,215,298</u>	<u>7,067,342</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

MARKET BOSWORTH PCC

**BALANCE SHEET
AT 31 DECEMBER 2016**

		Unrestricted funds £	Restricted funds £	2016 Total funds £	2015 Total funds £
	Notes				
FIXED ASSETS					
Tangible assets	12	438,292	6,186	444,478	452,161
Investments					
Investments	13	8,462	3,797,365	3,805,827	3,642,945
Investment property	14	-	2,865,000	2,865,000	2,865,000
		446,754	6,668,551	7,115,305	6,960,106
CURRENT ASSETS					
Debtors	15	17,765	417	18,182	36,377
Cash at bank		133,885	197,576	331,461	317,509
		151,650	197,993	349,643	353,886
CREDITORS					
Amounts falling due within one year	16	(71,401)	(128,249)	(199,650)	(146,650)
NET CURRENT ASSETS		80,249	69,744	149,993	207,236
TOTAL ASSETS LESS CURRENT LIABILITIES		527,003	6,738,295	7,265,298	7,167,342
CREDITORS					
Amounts falling due after more than one year	17	(50,000)	-	(50,000)	(100,000)
NET ASSETS		477,003	6,738,295	7,215,298	7,067,342
FUNDS	19				
Unrestricted funds				477,003	420,712
Restricted funds				6,738,295	6,646,630
TOTAL FUNDS				7,215,298	7,067,342

The financial statements were approved by the Board of Trustees on 25th April 2017 and were signed on its behalf by:

David Surtees –Trustee

Revd Mark Poskitt - Trustee

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

1. GENERAL INFORMATION

Market Bosworth PCC is a registered charity in England and Wales. The charity's registered number is 1150873 and principal address is St Peter's Parish Church Hall, Park Street, Market Bosworth, Leicestershire, CV13 0LL.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The financial statements cover the individual entity which constitutes a public benefit entity as defined by FRS 102.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Church Accounting Regulations 2006 governing the individual accounts of PPCs, the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The charity has adopted SORP (FRS 102) in the current year, the date of transition was 1 January 2015. In preparing the accounts, the trustees have considered whether in applying the accounting policies required by the Charities SORP FRS 102 the restatement of comparative items was required. There were no changes to the accounting policies of the charity as a result of the adoption of FRS102.

There are no material uncertainties related to events or conditions that may cast significant doubt upon the charity's ability to continue as a going concern.

Financial reporting standard 102 - reduced disclosure exemptions

The charity has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- The requirements of Section 7 Statement of Cash Flows

Income

Legacies are accounted for as soon as the PCC is notified of its legal entitlement and the amount is quantifiable and its ultimate receipt by the PCC is considered reasonably certain.

Grants and donations are included in the SOFA when any preconditions preventing their use by the PCC have been met. For collections and planned giving this is when the funds are received.

Income tax recoverable on Gift Aid is recognised at the same time as the income.

Donated assets are accounted for as soon as they are received and are included in the accounts at a reasonable estimate of their value.

Funds raised by fetes and other social events are accounted for gross.

Rental income from the letting of church properties is recognised when the rental is due.

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2016**

2. ACCOUNTING POLICIES - continued

Dividends are accounted for when declared receivable, interest as and when accrued by the payer.

The PCC receives substantial practical assistance from individual church members, but the financial value is mainly unquantifiable and no attempt is made to reflect this in the accounts.

Expenditure

Liabilities are recognised at the earliest point that there is an obligation to make a transfer of value to a third party.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to the category.

The charity is not registered for VAT and therefore all expenditure is shown inclusive of VAT.

Tangible fixed assets

Consecrated and benefice property of any kind is excluded from the financial statements by section 10(2) (a) and (c) of the Charities Act 2011.

The figure described as land and buildings in note 12 represents Parish Hall's which were introduced at a valuation in 2012. It also includes the cost of expenditure incurred since 2012 in extending St Peter's Parish Hall.

Tangible fixed assets other than freehold land are stated at cost less estimated residual value of each asset over its expected useful life, as follows:

Parish Halls - Straight Line over 50 years
Fixtures, fittings & equipment - 15% reducing balance

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Investment property

Investment property is included in the balance sheet at its most recent valuation.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Restricted funds are income funds that must be spent on restricted purposes and details of the funds held and restrictions provided are shown in the notes to the accounts.

Pension costs and other post-retirement benefits

The charity participates in the Pension Builder Scheme section of CWPF for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2016**

2. ACCOUNTING POLICIES - continued

Investments

Investments quoted on a recognised stock exchange or whose value derives from them (CIF's etc.) are valued at market value at the year end. Other investments are included in the balance sheet at their open market value.

Financial Instruments

The charity has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

Basic financial assets, including trade and other debtors and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Financial Activities.

Basic financial liabilities, including trade and other creditors, bank loans and loans from connected entities, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of the charity's activities. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2016

3. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	2016 Total funds £	2015 Total funds £
Other giving	5,278	-	5,278	5,790
Gift Aid recovered	7,209	-	7,209	11,870
Legacies	-	-	-	500
Grants	859	45,846	46,705	3,951
Planned giving	23,247	-	23,247	26,586
Collections at services	10,345	-	10,345	8,760
	<u>46,938</u>	<u>45,846</u>	<u>92,784</u>	<u>57,457</u>

Grants received, included in the above, are as follows:

	2016 £	2015 £
Other grants	859	3,951
Gibson fund Listed Place of Worship grant	9,078	-
St Peters fund Listed Place of Worship grant	<u>36,768</u>	<u>-</u>
	<u>46,705</u>	<u>3,951</u>

4. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	2016 Total funds £	2015 Total funds £
Fete and other events	<u>7,350</u>	<u>1,297</u>	<u>8,647</u>	<u>14,548</u>

5. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	2016 Total funds £	2015 Total funds £
Rental income	-	41,653	41,653	43,362
Income from listed investments	-	79,775	79,775	100,223
Interest received	<u>437</u>	<u>46</u>	<u>483</u>	<u>511</u>
	<u>437</u>	<u>121,474</u>	<u>121,911</u>	<u>144,096</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2016

6. INCOME FROM CHARITABLE ACTIVITIES

		2016 £	2015 £
Fees for weddings and funerals	Unrestricted income	26,516	20,312
Church hall lettings	Unrestricted income	26,078	32,428
Other church activity	Unrestricted income	1,126	409
United Parochial Church Council refund	Unrestricted income	5,286	-
Insurance claim	Restricted income	11,520	-
Benefice contribution	Unrestricted income	<u>2,100</u>	<u>-</u>
		<u>72,626</u>	<u>53,149</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 8) £	Totals £
Charitable activities	<u>567,137</u>	<u>567,137</u>

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2016 £	2015 £
Staff costs	23,376	10,585
Church running expenses	46,498	50,689
Church repairs and maintenance	10,882	59,590
Professional fees	2,265	19,234
Finance costs	3,070	3,102
Parish share	34,000	25,291
Hall repairs and maintenance	34,702	22,412
Hall running costs	13,657	18,002
Mission giving and donations	3,917	2,091
Audit fees	14,520	8,880
Congerstone roof project	9,870	-
Spire and tower repairs	277,679	-
Church organ restoration project	83,892	-
Depreciation	<u>8,809</u>	<u>8,946</u>
	<u>567,137</u>	<u>228,822</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2016 nor for the year ended 31 December 2015.

Trustees' expenses

There were reimbursed expenses of £419 paid to a trustee during the year ended 31 December 2016 and none for the year ended 31 December 2015.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2016

10. STAFF COSTS

	2016	2015
	£	£
Wages and salaries	20,831	10,338
Social security costs	-	247
Other pension costs	<u>2,545</u>	<u>-</u>
	<u>23,376</u>	<u>10,585</u>

The average monthly number of employees during the year was as follows:

	2016	2015
Charitable activities	<u>2</u>	<u>1</u>

No employees received emoluments in excess of £60,000.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	54,206	3,251	57,457
Charitable activities			
Charitable activities	53,149	-	53,149
Other trading activities	11,023	3,525	14,548
Investment income	<u>441</u>	<u>143,655</u>	<u>144,096</u>
Total	118,819	150,431	269,250
EXPENDITURE ON			
Raising funds	1,821	4,039	5,860
Charitable activities			
Charitable activities	<u>125,110</u>	<u>103,712</u>	<u>228,822</u>
Total	126,931	107,751	234,682
Net gains/(losses) on investments	<u>94</u>	<u>88,127</u>	<u>88,221</u>
NET INCOME	(8,018)	130,807	122,789
Transfers between funds	<u>(1,670)</u>	<u>1,670</u>	<u>-</u>
Net movement in funds	(9,688)	132,477	122,789
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>430,400</u>	<u>6,514,153</u>	<u>6,944,553</u>
TOTAL FUNDS CARRIED FORWARD	420,712	6,646,630	7,067,342

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2016

12. TANGIBLE FIXED ASSETS

	Parish Halls £	Fixtures and fittings £	Totals £
COST			
At 1 January 2016	484,773	15,610	500,383
Additions	-	1,126	1,126
At 31 December 2016	<u>484,773</u>	<u>16,736</u>	<u>501,509</u>
DEPRECIATION			
At 1 January 2016	44,118	4,104	48,222
Charge for year	<u>6,915</u>	<u>1,894</u>	<u>8,809</u>
At 31 December 2016	<u>51,033</u>	<u>5,998</u>	<u>57,031</u>
NET BOOK VALUE			
At 31 December 2016	<u>433,740</u>	<u>10,738</u>	<u>444,478</u>
At 31 December 2015	<u>440,655</u>	<u>11,506</u>	<u>452,161</u>

The Parish Halls have been incorporated within the financial statements at their 2012 valuation of £280,000 which was the first available valuation. In accordance with FRS15 this has been accepted as the deemed cost and the valuation has not been updated.

Parish Halls include £104,250 (2015: £104,250) in respect of and which is not subject to depreciation.

13. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2016	3,642,945
Disposals	(255,711)
Revaluations	<u>418,593</u>
At 31 December 2016	<u>3,805,827</u>
NET BOOK VALUE	
At 31 December 2016	<u>3,805,827</u>
At 31 December 2015	<u>3,642,945</u>

There were no investment assets outside the UK.

All listed investments are shares in CBF Investment Fund.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2016

14. INVESTMENT PROPERTY

	£
MARKET VALUE	
At 1 January 2016 and 31 December 2016	<u>2,865,000</u>
NET BOOK VALUE	
At 31 December 2016	<u>2,865,000</u>
At 31 December 2015	<u>2,865,000</u>

A valuation of the investment property was carried out on 31 December 2014 by Andrew Granger & Co LLP who are an independent professionally qualified valuer with recent experience in the location and class of the property. The trustees have reviewed this valuation in light of the property's present condition and use and after having taken further professional advice and considered changes in the open market are of the opinion that the fair value remains unchanged.

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Other debtors	14,440	13,506
Prepayments and accrued income	<u>3,742</u>	<u>22,871</u>
	<u>18,182</u>	<u>36,377</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Other loans (see note 18)	50,000	-
Other creditors	136,937	103,262
No description	-	-
Accruals and deferred income	<u>12,713</u>	<u>43,388</u>
	<u>199,650</u>	<u>146,650</u>

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2016	2015
	£	£
Other loans (see note 18)	<u>50,000</u>	<u>100,000</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2016

18. LOANS

An analysis of the maturity of loans is given below:

	2016 £	2015 £
Amounts falling due within one year on demand:		
Other loans	<u>50,000</u>	<u>-</u>
Amounts falling between one and two years:		
Other loans - 1-2 years	<u>50,000</u>	<u>-</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>-</u>	<u>100,000</u>

19. MOVEMENT IN FUNDS

	At 1.1.16 £	Net movement in funds £	Transfers between funds £	At 31.12.16 £
Unrestricted funds				
General fund	(46,786)	8,877	49,283	11,374
Property fixed asset reserve	440,655	(6,915)	-	433,740
Sutton Cheney church fabric fund	9,431	44	5,000	14,475
Sutton Cheney bells fund	412	2	-	414
Cadeby fabric fund	<u>17,000</u>	<u>-</u>	<u>-</u>	<u>17,000</u>
	420,712	2,008	54,283	477,003
Restricted funds				
Congerstone bell ropes and ringers	241	-	-	241
Congerstone church fabric fund	12,275	2,733	-	15,008
St Peter's fund	6,539,293	217,985	(54,283)	6,702,995
Market Bosworth capital reserve	476	-	-	476
Market Bosworth church fabric fund	2,720	-	-	2,720
Market Bosworth Gibson reserve	<u>91,625</u>	<u>(74,770)</u>	<u>-</u>	<u>16,855</u>
	6,646,630	145,948	(54,283)	6,738,295
TOTAL FUNDS	<u>7,067,342</u>	<u>147,956</u>	<u>-</u>	<u>7,215,298</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2016

19. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	115,785	(107,647)	739	8,877
Sutton Cheney church fabric fund	44	-	-	44
Sutton Cheney bells fund	2	-	-	2
Property fixed asset reserve	<u>-</u>	<u>(6,915)</u>	<u>-</u>	<u>(6,915)</u>
	115,831	(114,562)	739	2,008
Restricted funds				
Congerstone church fabric fund	12,819	(10,086)	-	2,733
St Peter's fund	158,196	(364,353)	424,142	217,985
Market Bosworth Gibson reserve	<u>9,122</u>	<u>(83,892)</u>	<u>-</u>	<u>(74,770)</u>
	180,137	(458,331)	424,142	145,948
	<u>180,137</u>	<u>(458,331)</u>	<u>424,142</u>	<u>145,948</u>
TOTAL FUNDS	<u>295,968</u>	<u>(572,893)</u>	<u>424,881</u>	<u>147,956</u>

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2016**

19. MOVEMENT IN FUNDS - continued

The Congerstone bell ropes and ringers fund represents funds donated for the upkeep of the church bell ropes and ringers.

The Congerstone church fabric fund represents funds donated for the repair and restoration of the church building.

St Peter's fund represents assets left as a bequest under the will of Frank Roland Smith to St Peter's Parish Church Market Bosworth for the building and churchyard maintenance and up keep and its general ecclesiastical purposes.

The Market Bosworth capital reserve represents funds which have been donated for Market Bosworth DCC capital projects.

The Market Bosworth church fabric fund represents funds donated for the repair and restoration of the church building.

The Market Bosworth Gibson reserve represents a bequest under the will of Barbara May Gibson for the Rector and Churchwardens of St Peter's Church Market Bosworth for general maintenance and for the organ fund. It also includes grants that have been received to cover the VAT element of the expenditure within this fund.

The Property fixed asset reserve - The land and buildings comprise of three Parish Halls. Although these properties are unrestricted assets they cannot be realised without undermining the charity's work. The board of trustees therefore consider it appropriate to reflect the investment in properties by means of a designated fund.

The Sutton Cheney church fabric fund represents donations which have been set aside for the repair and restoration of the church building.

The Sutton Cheney bells fund represents donations which have been set aside for the upkeep of the church bell ropes and ringers.

The Cadeby fabric fund represents money that has been set aside for church roof maintenance.

Transfers between funds

The terms of the St Peters Fund have been widened so that the money can be used by St Peter's Church Market Bosworth for the building and churchyard maintenance and upkeep and its general ecclesiastical purposes. It has therefore been decided to meet the parish share arrears of £84,283 from this fund which are included in creditors as at 31 December 2016. Of these arrears £54,283 have been included in the SOFA in previous years and therefore a transfer has been made to the general unrestricted fund to correct the fund balances.

20. CAPITAL COMMITMENTS

In January 2015 the trustees approved the refurbishment of the church organ. Total costs of £204,746 are expected for this project of which £83,892 are included in expenses for the year end 31 December 2016. The project is expected to be completed by September 2017.

21. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2016.

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2016**

22. APB ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to assist with the preparation of the accounts.

23. ULTIMATE CONTROLLING PARTY

The charity is controlled by its trustees.

24. PENSION COMMITMENT

Market Bosworth PCC (PB 2014) participates in the Pension Builder Scheme section of CWPF for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

The Pension Builder Scheme of the Church Workers Pension Fund is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes.

Pension Builder Classic provides a pension for members for payment from retirement, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Bonuses may also be declared, depending upon the investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable of £2,545 (2015: nil) which relate solely to the St Peter's Fund.

A valuation of the scheme is carried out once every three years. The most recent scheme valuation completed was carried out as at 31 December 2013. This revealed, on the ongoing assumptions used, a surplus of £0.5m. There is no requirement for deficit payments at the current time.

Pension Builder 2014 will be valued in relation to the lump sum payable to members at normal pension age. There are no annual pension benefits. Pension Builder 2014 commenced in February 2014 so the first full valuation of that section will be carried out at the next CWPF valuation date, 31 December 2016.